

VIRGINIA:

*Before the Virginia State Bar Disciplinary Board*

*In the Matter of*

*Seung Oh Kang  
Attorney at Law*

*VSB Docket No. 13-000-095724.*

*On June 24, 2013, came Seung Oh Kung and presented to the Board an Affidavit Declaring Consent to Revocation of her license to practice law in the courts of this Commonwealth. By tendering her Consent to Revocation at a time when disciplinary charges are pending, she admits that the charges in the attached Affidavit Declaring Consent to Revocation document are true.*

*The Board having considered the said Affidavit Declaring Consent to Revocation, and Bar Counsel having no objection, the Board accepts her Consent to Revocation. Accordingly, it is ordered that the license to practice law in the courts of this Commonwealth heretofore issued to the said Seung Oh Kang be and the same hereby is revoked, and that the name of the said Seung Oh Kang be stricken from the Roll of Attorneys of this Commonwealth.*

Entered this 25<sup>th</sup> day of June, 2013  
For the Virginia State Bar Disciplinary Board

By Barbara S. Lanier  
Barbara Sayers Lanier, Clerk of the Disciplinary System



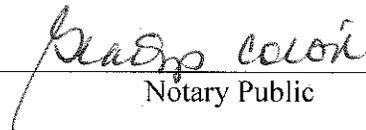
license to practice law in the Commonwealth of Virginia because she knows that if the hearing is held in the Rule to Show Cause and if the matter is brought to a conclusion, she could not successfully defend them.

Executed and dated on JUNE 18, 2013

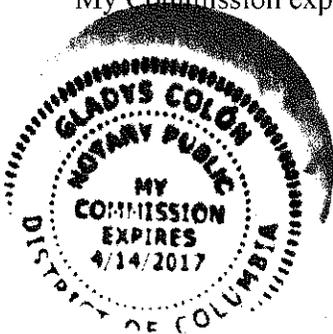
  
\_\_\_\_\_  
Seung Oh Kang  
Respondent

District of Columbia  
~~COMMONWEALTH OF VIRGINIA~~  
CITY/COUNTY OF \_\_\_\_\_, to wit:

The foregoing Affidavit Declaring Consent to Revocation was subscribed and sworn to before me by Seung Oh Kang on June 18, 2013

  
\_\_\_\_\_  
Notary Public

My Commission expires: \_\_\_\_\_





VIRGINIA:

BEFORE THE VIRGINIA STATE BAR DISCIPLINARY BOARD

IN THE MATTER OF  
Seung Oh Kang

VSB Docket #13-000-095724

RULE TO SHOW CAUSE  
AND  
ORDER OF SUSPENSION AND HEARING

It appearing to the Board that Seung Oh Kang, Esquire was licensed to practice law within the Commonwealth of Virginia on October 9, 1997, and,

It further appearing that Seung Oh Kang, entered a guilty plea to two counts of the indictment charging her with Count 1, Conspiracy to Commit Bank Fraud, in violation of 18 U.S.C. § 1349, and Count 5, Money Laundering, in violation of 18 S.C. § 1956(a)(1)(B)(i) in the U.S. District Court of Maryland, (Baltimore) on April 5, 2013, Criminal Docket No. 1:11-cr-00600-WDQ-8, and,

It further appearing that Seung Oh Kang has been convicted of a crime, as defined by the Rules of Court, Part 6, section IV, Paragraph 13-22 A.

It is ORDERED, pursuant to the Rules of Court, Part 6, Section IV, Paragraph 13-22, that the license of Seung Oh Kang to practice law within the Commonwealth of Virginia be, and the same is, hereby SUSPENDED, effective June 7, 2013.

It is further ORDERED that Seung Oh Kang appear before the Virginia State Bar Disciplinary Board at the Worker's Compensation Commission – Courtroom A, Second Floor, 1000 DMV Drive, Richmond, Virginia 23220, at 9:00 a.m., on Friday, June 28, 2013, to show cause why her license to practice law within the Commonwealth of Virginia should not be further suspended or revoked.

It is further ORDERED that Seung Oh Kang shall forthwith give notice, by certified mail, of the suspension of her license to practice law in Virginia to all clients for whom she is currently

handling matters and to all opposing attorneys and the presiding judges in pending litigation. Seung Oh Kang shall also make appropriate arrangements for the disposition of matters then in his care in conformity with the wishes of his clients. Seung Oh Kang shall give such notice within fourteen (14) days of the effective date of the suspension order, and make such arrangements as are required herein within forty-five (45) days of the effective date of the suspension order. Seung Oh Kang shall also furnish proof to the bar within sixty (60) days of the effective date of the suspension order that such notices have been timely given and such arrangements for the disposition of matters made. Issues concerning the adequacy of the notice and arrangements required herein shall be determined by the Disciplinary Board, which may impose a sanction of revocation or suspension for failure to comply with the requirements of this subparagraph.

It is further ORDERED that a copy of the Criminal Docket Report and Plea Agreement with attached Statement of Facts, be attached to this Rule to Show Cause and Order of Suspension and Hearing and made a part hereof.

It is further ORDERED that an attested copy of this Rule to Show Cause and Order of Suspension and Hearing, with attachments, shall be mailed to Seung Oh Kang, by certified mail, at Suite 200, 7619 Little River Turnpike, Annandale, VA 22003, her address of record with the Virginia State Bar, Suite 200, 7619 Little River Turnpike, Annandale, Virginia 22003, and to Alfred L. Carr, Assistant Bar Counsel, Virginia State Bar, Eighth and Main Building, 707 East Main Street, Suite 1500, Richmond, Virginia 23219.

ENTERED THIS 3RD DAY OF JUNE, 2013.

VIRGINIA STATE BAR DISCIPLINARY BOARD

Pleasant S. Brodnax III  
Pleasant S. Brodnax, III, First Vice Chair

A COPY TESTE:  
Barbara S. Lanier  
BARBARA SAYERS LANIER  
CLERK OF THE DISCIPLINARY SYSTEM

7/5/13  
2/8/2013



ENTERED  
LOGGED RECEIVED

United States Attorney  
District of Maryland  
Northern Division

APR 05 2013

AT BALTIMORE  
CLERK, U.S. DISTRICT COURT  
DISTRICT OF MARYLAND

BY *[Signature]* DEPUTY

Rod J. Rosenstein  
United States Attorney

36 South Charles Street  
Fourth Floor  
Baltimore, Maryland 21201

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Marty.Clark@usdoj.gov

Martin Clarke  
Assistant United States Attorney

February 7, 2013

Roger E. Zuckerman, Esq.  
Zuckerman Spaeder, LLP  
1800 M Street, NW  
Suite 1000  
Washington, DC 20036

Re: *United States v. Seung E. Oh (a/k/a Sandy Oh)*

Dear Mr. Zuckerman:

This letter, together with the Sealed Supplement, confirms the plea agreement which has been offered to your client, Seung E. Oh, the Defendant, by the United States Attorney's Office for the District of Maryland ("this Office"). If the Defendant accepts this offer, please have her execute it in the spaces provided below. If this offer has not been accepted by February 15, 2013, it will be deemed withdrawn. The terms of the agreement are as follows:

Offense of Conviction

1. The Defendant agrees to plead guilty to two counts of an Indictment charging her with conspiracy to commit bank fraud, in violation of 18 U.S.C. § 1349, and money laundering, in violation of 18 U.S.C. § 1956(a)(1)(B)(i). The Defendant admits that she is, in fact, guilty of these offenses and will so advise the Court.

Elements of the Offenses

2. The elements of the offenses to which the Defendant has agreed to plead guilty, and which this Office would prove if the case went to trial, are as follows:

Conspiracy to Commit Bank Fraud

a. The Defendant and at least one other person entered into an unlawful agreement;

I hereby attest and certify on 5/6/2013  
that the foregoing document is a full, true and correct  
copy of the original on file in my office and in my  
legal custody.

FELICIA C. CANNON  
CLERK, U.S. DISTRICT COURT  
DISTRICT OF MARYLAND

By *[Signature]* Deputy



- b. The purpose of the agreement was to knowingly execute or attempt to execute a scheme or artifice to defraud a financial institution and to obtain money, funds, assets, or other property under the custody or control of a financial institution by means of false or fraudulent pretenses, representations, or promises;
- c. The financial institution's deposits were insured by the Federal Deposit Insurance Corporation; and
- d. The Defendant knowingly and willfully became a member of the conspiracy.

Money Laundering

- a. The Defendant conducted a financial transaction involving the use of a financial institution which was engaged in, or the activities of which affect, interstate or foreign commerce;
- b. The financial transaction involved property constituting the proceeds of a specified unlawful activity, namely bank fraud;
- c. The Defendant knew the property involved in the transaction was the proceeds of some form of unlawful activity; and
- d. The Defendant acted with the intent to conceal or disguise the nature, source, ownership, or control of the proceeds of the specified unlawful activity.

Penalties

3. The maximum sentence provided by statute for the offenses to which the Defendant is pleading guilty are as follows: Bank Fraud - thirty years imprisonment, \$1,000,000 fine and five years supervised release; Money Laundering - twenty years imprisonment, \$500,000 fine (or twice the value of the property involved in the transaction, whichever is greater) and three years supervised release. In addition, the Defendant must pay \$100 per count as a special assessment pursuant to 18 U.S.C. § 3013, which will be due and should be paid at or before the time of sentencing. This Court may also order her to make restitution pursuant to 18 U.S.C. §§ 3663, 3663A, and 3664.<sup>1</sup> If a fine or restitution is imposed, it shall be payable immediately, unless, pursuant to 18 U.S.C. § 3572(d), the Court orders otherwise. The Defendant understands that if she serves a term of imprisonment, is released on supervised release, and then violates the conditions of her supervised release, her supervised release could be revoked - even on the last day of the term - and the Defendant could be returned to custody to serve another period of incarceration and a new term of supervised release.

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<sup>1</sup> Pursuant to 18 U.S.C. § 3612, if the Court imposes a fine in excess of \$2,500 that remains unpaid 15 days after it is imposed, the Defendant shall be charged interest on that fine, unless the Court modifies the interest payment in accordance with 18 U.S.C. § 3612(f)(3).

The Defendant understands that the Bureau of Prisons has sole discretion in designating the institution at which the Defendant will serve any term of imprisonment imposed.

Waiver of Rights

4. The Defendant understands that by entering into this agreement, she surrenders certain rights as outlined below:

a. If the Defendant elected a jury trial, the jury would be composed of twelve individuals selected from the community. Counsel and the Defendant would have the opportunity to challenge prospective jurors who demonstrated bias or who were otherwise unqualified, and would have the opportunity to strike a certain number of jurors peremptorily. All twelve jurors would have to agree unanimously before the Defendant could be found guilty of any count. The jury would be instructed that the Defendant was presumed to be innocent, and that presumption could be overcome only by proof beyond a reasonable doubt.

b. If the Defendant went to trial, the government would have the burden of proving the Defendant guilty beyond a reasonable doubt. The Defendant would have the right to confront and cross-examine the government's witnesses. The Defendant would not have to present any defense witnesses or evidence whatsoever. If the Defendant wanted to call witnesses in her defense, however, she would have the subpoena power of the Court to compel the witnesses to attend.

c. The Defendant would have the right to testify in her own defense if she so chose, and she would have the right to refuse to testify. If she chose not to testify, the Court could instruct the jury that they could not draw any adverse inference from her decision not to testify.

d. If the Defendant were found guilty after a trial, she would have the right to appeal the verdict and the Court's pretrial and trial decisions on the admissibility of evidence to see if any errors were committed which would require a new trial or dismissal of the charges against her. By pleading guilty, the Defendant knowingly gives up the right to appeal the verdict and the Court's decisions.

e. By pleading guilty, the Defendant will be giving up all of these rights, except the right, under the limited circumstances set forth in the "Waiver of Appeal" paragraph below, to appeal the sentence. By pleading guilty, the Defendant understands that she may have to answer the Court's questions both about the rights she is giving up and about the facts of her case. Any statements the Defendant makes during such a hearing would not be admissible against her during a trial except in a criminal proceeding for perjury or false statement.

f. If the Court accepts the Defendant's plea of guilty, there will be no further trial or proceeding of any kind, and the Court will find her guilty.

g. By pleading guilty, the Defendant will also be giving up certain valuable civil rights and may be subject to deportation or other loss of immigration status. The Defendant recognizes that by pleading guilty her license to practice law could be seriously affected, even revoked.

Advisory Sentencing Guidelines Apply

5. The Defendant understands that the Court will determine a sentencing guidelines range for this case (henceforth the "advisory guidelines range") pursuant to the Sentencing Reform Act of 1984 at 18 U.S.C. §§ 3551-3742 (excepting 18 U.S.C. §§ 3553(b)(1) and 3742(e)) and 28 U.S.C. §§ 991 through 998. The Defendant further understands that the Court will impose a sentence pursuant to the Sentencing Reform Act, as excised, and must take into account the advisory guidelines range in establishing a reasonable sentence.

Factual and Advisory Guidelines Stipulation

6. This Office and the Defendant understand, agree and stipulate to the Statement of Facts set forth in Attachment A hereto, which this Office would prove beyond a reasonable doubt, and to the following applicable sentencing guidelines factors:

Conspiracy to Commit Bank Fraud

- a. Pursuant to U.S.S.G. § 2B1.1(a)(1), the base offense level is seven (7).
- b. Pursuant to U.S.S.G. § 2B1.1(b)(1)(K), the base offense level is increased by twenty (20) levels because the loss was more than \$7,000,000 but less than \$20,000,000, resulting in an adjusted offense level of twenty-seven (27).
- c. Pursuant to U.S.S.G. § 2B1.1(b)(10)(C), the base offense level is further increased by two (2) levels because the offense involved sophisticated means, resulting in an adjusted offense level of twenty-nine (29).
- e. Pursuant to U.S.S.G. § 3B1.3, the base offense level is further increased by 2 levels because the Defendant abused a position of trust, resulting in an adjusted offense level of thirty-one (31).

Money Laundering

- d. Pursuant to U.S.S.G. § 2S1.1(a)(1), the base offense level is the offense level for the underlying offense from which the laundered funds were obtained, which, as noted above, is twenty-nine (29).
- e. Pursuant to U.S.S.G. § 2S1.1(b)(2), the base offense level is increased by two

levels because the Defendant was convicted under 18 U.S.C. § 1956, resulting in an adjusted base offense level of thirty-one (31).

f. The base offense level of thirty-one (31) is not increased by 2 levels for abuse of a position of trust because that upward adjustment is already factored into the calculation of the offense level for the underlying offense.

g. Pursuant to U.S.S.G. § 3D1.2(c) and 3D1.3(a), the two counts are grouped together and the count with the highest offense level within the group becomes the applicable offense level, which is thirty-one (31).

h. This Office does not oppose a two-level reduction in the Defendant's adjusted offense level, based upon the Defendant's apparent prompt recognition and affirmative acceptance of personal responsibility for her criminal conduct. This Office agrees to make a motion pursuant to U.S.S.G. § 3E1.1(b) for an additional one-level decrease in recognition of the Defendant's timely notification of her intention to plead guilty. This Office may oppose *any* adjustment for acceptance of responsibility if the Defendant (a) fails to admit each and every item in the factual stipulation; (b) denies involvement in the offense; (c) gives conflicting statements about her involvement in the offense; (d) is untruthful with the Court, this Office, or the United States Probation Office; (e) obstructs or attempts to obstruct justice prior to sentencing; (f) engages in any criminal conduct between the date of this agreement and the date of sentencing; or (g) attempts to withdraw her plea of guilty.

7. The Defendant understands that there is no agreement as to her criminal history or criminal history category, and that her criminal history could alter her offense level if she is a career offender or if the instant offense was a part of a pattern of criminal conduct from which she derived a substantial portion of his income.

8. This Office and the Defendant agree that with respect to the calculation of the advisory guidelines range, no other offense characteristics, sentencing guidelines factors, potential departures or adjustments set forth in the United States Sentencing Guidelines will be raised or are in dispute.

#### Obligations of the United States Attorney's Office

9. At the time of sentencing, this Office will recommend a sentence within the applicable guideline.

10. The parties reserve the right to bring to the Court's attention at the time of sentencing, and the Court will be entitled to consider, all relevant information concerning the Defendant's background, character and conduct.

Forfeiture

11. The defendant understands that the court will, upon acceptance of her guilty plea, enter an order of forfeiture as part of her sentence, and that the order of forfeiture may include assets directly traceable to her offense, substitute assets and/or a money judgment equal to the value of the property derived from, or otherwise involved in, the offense. Specifically, the court will order the forfeiture of approximately \$11,832,000, including but not limited to a money judgement. The defendant agrees to consent to the entry of orders of forfeiture for such property and waives the requirements of Federal Rules of Criminal Procedure 11(b)(1)(J), 32.2 and 43(a) regarding notice of the forfeiture in the charging instrument, advice regarding the forfeiture at the change-of-plea hearing, announcement of the forfeiture at sentencing, and incorporation of the forfeiture in the judgment.

Assisting the Government with Regard to the Forfeiture

12. The defendant agrees to assist fully in the forfeiture of the foregoing assets. The defendant agrees to disclose all of her assets and sources of income to the United States, and to take all steps necessary to pass clear title to the forfeited assets to the United States, including but not limited to executing any and all documents necessary to transfer such title, assisting in bringing any assets located outside of the United States within the jurisdiction of the United States, and taking whatever steps are necessary to ensure that assets subject to forfeiture are not sold, disbursed, wasted, hidden or otherwise made unavailable for forfeiture. The defendant further agrees that she will not assist any third party in asserting a claim to the forfeited assets in an ancillary proceeding and that she will testify truthfully in any such proceeding.

Waiver of Further Review of Forfeiture

13. The defendant further agrees to waive all constitutional, legal and equitable challenges (including direct appeal, habeas corpus, or any other means) to any forfeiture carried out in accordance with this Plea Agreement on any grounds, including that the forfeiture constitutes an excessive fine or punishment. The defendant also agrees not to challenge or seek review of any civil or administrative forfeiture of any property subject to forfeiture under this agreement, and will not assist any third party with regard to such challenge or review or with regard to the filing of a petition for remission of forfeiture.

Restitution

14. The Defendant agrees to the entry of a Restitution Order for the full amount of the victims' losses, which shall be determined prior to sentencing. The Defendant agrees that, pursuant to 18 U.S.C. §§ 3663 and 3663A and §§ 3563(b)(2) and 3583(d), the Court may order restitution of the full amount of the actual, total loss caused by the offense conduct set forth in the factual stipulation. The Defendant further agrees that she will fully disclose to the probation officer and to the Court, subject to the penalty of perjury, all information, including but not limited to copies of

all relevant bank and financial records, regarding the current location and prior disposition of all funds obtained as a result of the criminal conduct set forth in the factual stipulation. The Defendant further agrees to take all reasonable steps to retrieve or repatriate any such funds and to make them available for restitution. If the Defendant does not fulfill this provision, it will be considered a material breach of this plea agreement, and this Office may seek to be relieved of its obligations under this agreement.

Collection of Financial Obligations

15. The Defendant expressly authorizes the U.S. Attorney's Office to obtain a credit report in order to evaluate the Defendant's ability to satisfy any financial obligation imposed by the Court. In order to facilitate the collection of financial obligations to be imposed in connection with this prosecution, the Defendant agrees to disclose fully all assets in which the Defendant has any interest or over which the Defendant exercises control, directly or indirectly, including those held by a spouse, nominee or other third party. The Defendant will promptly submit a completed financial statement to the United States Attorney's Office, in a form this Office prescribes and as it directs. The Defendant promises that the financial statement and disclosures will be complete, accurate and truthful, and understands that any willful falsehood on the financial statement will be a separate crime and may be punished under 18 U.S.C. § 1001 by an additional five years' incarceration and fine.

Waiver of Appeal

16. In exchange for the concessions made by this Office and the Defendant in this plea agreement, this Office and the Defendant waive their rights to appeal as follows:

- a) The Defendant knowingly waives all right, pursuant to 28 U.S.C. § 1291 or otherwise, to appeal the Defendant's conviction;
- b) The Defendant and this Office knowingly waive all right, pursuant to 18 U.S.C. § 3742 or otherwise, to appeal whatever sentence is imposed (including the right to appeal any issues that relate to the establishment of the advisory guidelines range, the determination of the defendant's criminal history, the weighing of the sentencing factors, and the decision whether to impose and the calculation of any term of imprisonment, fine, order of forfeiture, order of restitution, and term or condition of supervised release), except as follows: (i) the Defendant reserves the right to appeal any term of imprisonment to the extent that it exceeds the maximum term of imprisonment under the applicable guideline range; (ii) and this Office reserves the right to appeal any term of imprisonment to the extent that it is below the minimum period of imprisonment under the applicable guideline range.

- c) Nothing in this agreement shall be construed to prevent the Defendant or this Office from invoking the provisions of Federal Rule of Criminal Procedure 35(a), or from appealing from any decision thereunder, should a sentence be imposed that resulted from arithmetical, technical, or other clear error.
- d) The Defendant waives any and all rights under the Freedom of Information Act relating to the investigation and prosecution of the above-captioned matter and agrees not to file any request for documents from this Office or any investigating agency.

Obstruction or Other Violations of Law

17. The Defendant agrees that she will not commit any offense in violation of federal, state or local law between the date of this agreement and his sentencing in this case. In the event that the Defendant (i) engages in conduct after the date of this agreement which would justify a finding of obstruction of justice under U.S.S.G. § 3C1.1; or (ii) fails to accept personal responsibility for her conduct by failing to acknowledge her guilt to the probation officer who prepares the Presentence Report, or (iii) commits any offense in violation of federal, state or local law, then this Office will be relieved of its obligations to the Defendant as reflected in this agreement. Specifically, this Office will be free to argue sentencing guidelines factors other than those stipulated in this agreement, and it will also be free to make sentencing recommendations other than those set out in this agreement. As with any alleged breach of this agreement, this Office will bear the burden of convincing the Court of the Defendant's obstructive or unlawful behavior and/or failure to acknowledge personal responsibility by a preponderance of the evidence. The Defendant acknowledges that she may not withdraw her guilty plea because this Office is relieved of its obligations under the agreement pursuant to this paragraph.

Court Not a Party

18. The Defendant expressly understands that the Court is not a party to this agreement. In the federal system, the sentence to be imposed is within the sole discretion of the Court. In particular, the Defendant understands that neither the United States Probation Office nor the Court is bound by the stipulation set forth above, and that the Court will, with the aid of the Presentence Report, determine the facts relevant to sentencing. The Defendant understands that the Court cannot rely exclusively upon the stipulation in ascertaining the factors relevant to the determination of sentence. Rather, in determining the factual basis for the sentence, the Court will consider the stipulation, together with the results of the presentence investigation, and any other relevant information. The Defendant understands that the Court is under no obligation to accept this Office's recommendations, and the Court has the power to impose a sentence up to and including the statutory maximum stated above. The Defendant understands that if the Court ascertains factors different from those contained in the stipulation set forth above, or if the Court should impose any sentence up to the maximum established by statute, the Defendant cannot, for that reason alone, withdraw her guilty plea, and will remain bound to fulfill all of her obligations under this agreement. The Defendant understands that neither the prosecutor, her counsel, nor the Court can make a

binding prediction, promise, or representation as to what guidelines range or sentence the Defendant will receive. The Defendant agrees that no one has made such a binding prediction or promise.

Entire Agreement

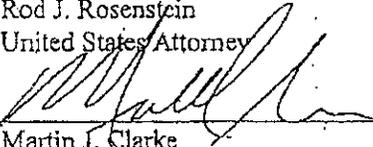
19. This letter supersedes any prior understandings, promises, or conditions between this Office and the Defendant and, together with the Sealed Supplement, constitutes the complete plea agreement in this case. The Defendant acknowledges that there are no other agreements, promises, undertakings or understandings between the Defendant and this Office other than those set forth in this letter and the Sealed Supplement and none will be entered into unless in writing and signed by all parties.

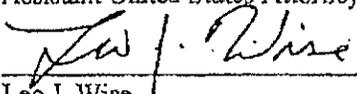
If the Defendant fully accepts each and every term and condition of this agreement, please sign and have the Defendant sign the original and return it to me promptly.

Very truly yours,

Rod J. Rosenstein  
United States Attorney

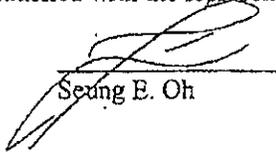
By:

  
Martin J. Clarke  
Assistant United States Attorney

  
Leo J. Wise  
Assistant United States Attorney

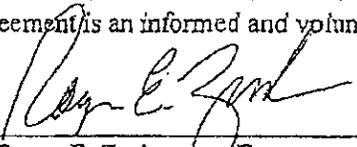
I have read this agreement, including the Sealed Supplement, and carefully reviewed every part of it with my attorney. I understand it, and I voluntarily agree to it. Specifically, I have reviewed the Factual and Advisory Guidelines Stipulation with my attorney, and I do not wish to change any part of it. I am completely satisfied with the representation of my attorney.

02/21/2013  
Date

  
Seung E. Oh

I am Ms. Oh's attorney. I have carefully reviewed every part of this agreement, including the Sealed Supplement with her. She advises me that she understands and accepts its terms. To my knowledge, her decision to enter into this agreement is an informed and voluntary one.

2/22/13  
Date

  
Roger E. Zuckerman, Esq.

**Attachment A**

**Statement of Facts**

*The Defendant stipulates and agrees that if this case had proceeded to trial, the government would have proven the following facts beyond a reasonable doubt. The Defendant also stipulates and agrees that the following facts do not encompass all of the evidence that would have been presented had this matter proceeded to trial.*

**A. Washington Settlement Group and Seung E. Oh and Associates, LLC**

Defendant Seung E. Oh ("OH") is an attorney and a member of the Commonwealth of Virginia bar. In 1998, OH started a law practice in Annandale, Virginia, called Seung E. Oh and Associates, LLC ("SEOA"). OH is also the owner and operator of Washington Settlement Group ("WSG"), a title company she started in 2005, with its principal office also located in Annandale, Virginia. Since 2005, OH has overseen the preparation of settlement documents for sales of commercial and residential properties, as well as loan refinancings. OH's responsibilities as the owner and manager of the title company included the issuance of title insurance and the disbursement of mortgage proceeds and other funds to the parties associated with the settlements. In her role as a settlement agent and attorney, OH maintained escrow accounts at BB&T Bank and Bank of America, both financial institutions within the meaning of 18 U.S.C. § 1956(c)(4) & (6). OH owed a fiduciary duty to the owners of the funds deposited into those escrow accounts.

In or about 1998, OH met Joon Park and Loren Park, two brothers who owned and operated a loan brokerage company based in Woodbridge, Virginia, called Jade Capital & Investments, LLC ("Jade Capital"). OH knew that Jade Capital specialized in securing loans for individuals interested in purchasing and refinancing small businesses in the Mid-Atlantic area, some of which were settled through WSG and SEOA. OH also knew that Jade Capital's business was focused largely on obtaining business loans for customers of Korean descent through the Small Business Administration ("SBA"). More specifically, OH was aware that Jade Capital structured loans under Section 7(a) of the Small Business Act, which provides guaranteed financing of 75-90% for qualified loans administered by designated commercial lending institutions. An important requirement of the Section 7(a) program is that borrowers must invest a certain amount of their own money, otherwise referred to as an "equity injection," before they can qualify for the loan.

**B. Falsifying Settlement Transactions to Conceal the Bank Fraud**

Over the course of OH's relationship with Joon and Loren Park, and to foster more business with their company, OH agreed to use the resources of her settlement company and law firm to facilitate loan closings for deals that would otherwise fail to meet the lending parameters of the banks making the loans, including banks authorized to lend under SBA's Section 7(a) program. In so doing, OH helped the Parks misrepresent to the banks and to the SBA the true amount of money involved in the transactions and/or the true names of the parties taking part in the transactions. To accomplish this, OH sometimes agreed to "netting" a transaction. In such situations, the Parks

would negotiate a sale price with the seller for the business that was less than the price listed on the contract of sale that was submitted to the bank, and/or they would increase the loan by the amount needed for the down payment. Such arrangements created off-sets that could be used at closing to reduce the amount of money that the buyer actually had to inject into the deal while concealing the buyer's insufficient equity position in the deal. To conceal these types of side-arrangements, OH agreed to complete the settlement sheets as if the buyer had made the requisite cash injection and the seller had received the full contract price. OH sometimes "netted" closings by not cashing the buyer's check for the cash injection until after the settlement took place, which gave the Parks time to arrange for the seller to deposit some of the seller's proceeds of the sale into the buyer's bank account to cover the check. Sometimes OH "netted" closings by accepting fraudulent copies of cashier's checks or personal checks from the Parks on behalf of the buyers, which she then used to simply "paper" the settlement file to make it appear as though the equity injection had been paid.

Another way that OH helped to facilitate the loan closing for Jade Capital was when she "fronted" the buyer's cash injection. OH would "front," that is, temporarily loan, part of the buyer's up-front payment by taking other people's money out of the escrow accounts of either her law firm or her title company. Joon and Loren Park would then agree to pay back the fronted money after the settlement, usually from their share of the proceeds from that particular deal or a later one. As with the "netting" scheme, the settlement sheets and all other related documents for the "fronted" deal would falsely reflect that the buyer injected his own money into the transaction in accordance with the agreed upon financing terms established by the lending institution.

C. **Examples of Loan Closings in Furtherance of the Bank Fraud**

i. LP Wash Center, LLC, d/b/a Forest Wash Center

On or about June 27, 2008, OH agreed to use SEOA to handle the loan closing for the sale of a business called Forest Wash Center in Hyattsville, Maryland. The deal was brokered by Jade Capital. The buyer of the business was LP Wash Center, LLC, purportedly owned by H. K., a longstanding business partner of Joon and Loren Park. The sale price was listed as \$2,200,000, of which \$1,700,000 was to be an SBA Section 7(a) loan administered through First Chatham Bank. The \$511,036 difference between the loan amount and the purchase price, plus closing costs, represented what H. K. had to pay as his equity injection.

To close the deal and conceal the fact that the required equity injection had not been paid by the buyer, Jade Capital submitted a falsified securities statement as part of the underwriting process to inflate the amount of cash that H. K. had on hand. Joon Park also convinced the seller to assign approximately \$832,329 of the sales proceeds to Jade Capital so Joon Park could use it to negotiate a smaller payoff of an outstanding lien the seller still had on the business, which he never did. For her part, OH agreed to off-set the amount of the equity injection needed at the settlement by "netting" the deal, that is, OH created a bogus HUD-1 settlement statement that falsely reflected that H.K. had (1) made an earlier \$100,000 cash down-payment and (2) paid \$511,036 at closing. Once the SBA loan proceeds were illegally acquired and deposited into SEOA's escrow account at closing, OH and Joon Park discussed how the proceeds should be disbursed. Per Joon Park's

request, and understanding that she was concealing and disguising the nature, source and control of the proceeds, OH wired the balance of \$832,329 to Jade Capital, which Joon Park later used for other business deals, including the purchase of a different business, Tackett's Mill Car Wash, *infra*, which WSG handled, and the repayment of \$109,890 that Joon Park had owed OH for fronting money from WSG on prior deals.

ii. AJ Traders, Inc., d/b/a Tackett's Mill Car Wash

On or about July 1, 2008, OH agreed to use WSG to handle the loan closing for the sale of a business called Tackett's Mill Car Wash in Woodbridge, Virginia. The deal had been brokered by Jade Capital. The buyer of the business was AJ Traders, Inc., which was purportedly owned by J. B. The seller of the business was 12831 Harbor Drive Ventures, Inc., a business purportedly owned by H.K., the same business associate of Joon Park that was involved in the LP Car Wash deal, *supra*. The price listed on the sales contract was \$1,500,000, of which \$900,000 was to be an SBA Section 7(a) loan administered through Saehan Bank of Los Angeles. The difference of approximately \$600,000 represented what J. B had to pay as his equity injection.

To close the deal and conceal the fact that the required equity injection had not been paid by J. B., Jade Capital submitted falsified monthly bank statements to Saehan Bank as part of the underwriting process to inflate the amount of cash that J. B. had on hand at the time of the closing. In addition, Joon Park reached an agreement with the buyer whereby Joon Park fronted the \$600,000 equity injection for J. B. using \$600,000 of the \$832,329 loan proceeds he had received from OH after the LP Wash settlement, *supra*. Joon Park wired the \$600,000 from the Jade Capital operating account to A.J. Trader's bank account, which J. B. then wired to WSG's VA escrow account (BB&T) before the settlement date.

Even though Joon Park was not a named principal in the transaction, at his request OH wired \$559,555 on July 9, 2008 from the settlement proceeds in WSG's escrow account to Joon Park's personal bank account, which represented the return of most of the money Joon Park had fronted J. B. for the equity injection. Joon Park transferred \$250,000 of those funds into a different personal account, of which he wired \$230,000 back to WSG as repayment of money that OH had fronted Jade Capital on other deals via WSG.

iii. Penn Greenies, LLC, d/b/a Greenies Car Wash

On or about December 20, 2010, OH agreed to use WSG to help Joon Park sell his interest in a car wash by "fronting" \$400,000 to a buyer who could not meet the SBA's equity requirements for the underlying loan. Joon Park entered into a contract to sell his interest in Greenies Car Wash, located in Hanover, Pennsylvania, for \$2,900,000. The deal was brokered by Jade Capital. The buyer of the business, Penn Greenies, LLC, owned by K. J., used Jade Capital to apply for a Section 7(a) SBA loan through the Mid-Atlantic Federal Credit Union in the amount of \$2,400,000. Under the terms of the loan commitment, K. J. was required to pay a \$600,000 equity injection.

To close the deal and conceal the fact that the required equity injection had not been paid by the buyer, Jade Capital, as part of the underwriting process, submitted falsified monthly bank

statements to the bank to inflate the amount of cash that K. J. had on hand at the time of the closing. In addition, because the closing of the loan could not be handled by OH's settlement company, which meant she could not manipulate the closing transactions and "net" the equity requirement, Joon Park instead asked OH to "front" \$400,000 of the equity amount to K. J., which OH agreed to do. To give the appearance that K. J. was the source of the equity injection, on December 17, 2010, OH wired \$400,000 from WSG's MAHT escrow account to K. J.'s personal credit union account, and then on the same day had K. J. wire the money back out to OH's law firm escrow account (SEOA). The ruse was completed three days later when, on the day of settlement, OH combined the \$400,000 fronted money with K. J.'s original \$200,000 down payment and wired the purported \$600,000 "equity injection" to the Maryland settlement company handling the closing.

Once the SBA loan proceeds were illegally acquired and disbursed at closing, including to Joon Park as the seller of the car wash, Joon Park authorized the settlement company to wire \$893,827 of the proceeds to OH via the WSG MAHT escrow account. OH, in turn, kept \$813,500 of the proceeds as repayment of the money that OH had fronted Joon Park so he could buy the car wash in the first place, just weeks before he sold it K. J. for a profit. In addition, OH wired \$49,327 of the proceeds to Jade Capital as a "commission" for brokering the deal.

iv. Hi-Mart Laundromat

On or about May 21, 2009, OH agreed to use WSG to handle the loan closing for the sale of a business called Hi-Mart Laundromat in Woodbridge, Virginia. The deal was brokered by Jade Capital. The sellers were purported to be Joon Park's mother and his longstanding business partner, H. K. The purported buyer of the business was K. J. C., Joon Park's uncle. The sale price was listed as \$1,200,000, of which \$850,000 was to be an SBA Section 7(a) loan administered through PNC Bank. The difference of approximately \$400,000 represented what K. J. C. had to pay as his equity injection.

To close the deal and conceal the fact that the required equity injection had not been paid by K. J. C., Jade Capital submitted falsified monthly bank statements to PNC Bank as part of the underwriting process to inflate the amount of cash that K. J. C. had on hand at the time of the closing. For her part, and at Joon Park's request, OH created a HUD-1 settlement statement that reflected that K. J. C. had made an earlier "equity injection" of \$400,000 when in truth and fact he had not put any equity into the purchase. Once the SBA loan proceeds were illegally acquired and deposited into WSG's VA escrow account, OH, at Joon Park's request, wired \$660,000 of the proceeds to a different entity purportedly owned by the sellers. OH kept the balance of the proceeds of \$140,000 as repayment of money previously fronted by OH through WSG/SEOA to Joon Park for other deals.

D. Other Loan Closings in Furtherance of the Bank Fraud

In addition to the foregoing examples, OH used her settlement company and law firm to facilitate other Jade Capital loan closings involving the SBA Section 7(a) program, including, but

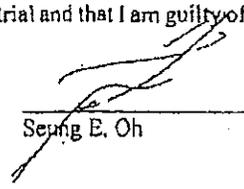
not limited to the following: Prestige Car Wash, \$850,000; Number One Laundromat, \$1,070,000; Matsutake Ballston, Inc., \$725,000; Matsutake Crystal City, Inc., \$325,000; Matsutake Japanese Restaurant, \$750,000; Pan-Asian Chantilly, \$412,000; California Tortilla, \$500,000; and Angelo's Liquors, \$1,250,000.

In all the foregoing loan transactions, OH helped conceal the fact that none of the buyers/borrowers had injected sufficient equity into the deals to qualify for Section 7(a) loans. And all the foregoing loans were underwritten and issued by banks authorized to lend money under Section 7(a), and the banks were financial institutions within the meaning of 18 U.S.C. § 20.

---

I have read this Statement of Facts and carefully reviewed it with my attorneys. I agree that the United States could prove these facts at trial and that I am guilty of the conduct described herein.

11/02/2013  
Date

  
Seung E. Oh

\_\_\_\_\_  
Date

\_\_\_\_\_  
Roger E. Zuckerman, Esq.

not limited to the following: Prestige Car Wash, \$850,000; Number One Laundromat, \$1,070,000; Matsutake Ballston, Inc., \$725,000; Matsutake Crystal City, Inc., \$325,000; Matsutake Japanese Restaurant, \$750,000; Pan-Asian Chantilly, \$412,000; California Tortilla, \$500,000; and Angelo's Liquors, \$1,250,000.

In all the foregoing loan transactions, OH helped conceal the fact that none of the buyers/borrowers had injected sufficient equity into the deals to qualify for Section 7(a) loans. And all the foregoing loans were underwritten and issued by banks authorized to lend money under Section 7(a), and the banks were financial institutions within the meaning of 18 U.S.C. § 20.

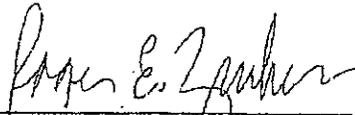
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I have read this Statement of Facts and carefully reviewed it with my attorneys. I agree that the United States could prove these facts at trial and that I am guilty of the conduct described herein.

Date

April 3, 2013  
Date

Seung E. Oh

  
\_\_\_\_\_  
Roger E. Zuckerman, Esq.

U.S. District Court  
District of Maryland (Baltimore)  
CRIMINAL DOCKET FOR CASE #: 1:11-cr-00600-WDQ-8

Case title: USA v. Park et al

Date Filed: 11/08/2011

Assigned to: Judge William D Quarles,  
Jr

Defendant (8)

Seung E. Oh  
also known as  
Sandy Oh

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BTW

Pending Counts

18:1349 CONSPIRACY TO COMMIT  
BANK FRAUD  
(1)

18:1344 BANK FRAUD; 18:2 AIDING  
AND ABETTING  
(4)

18:1956(a)(1)(B)(i) MONEY  
LAUNDERING  
(5)

Disposition

I hereby attest and certify on 5/6/2013  
that the foregoing document is a full, true and correct  
copy of the original on file in my office and in my  
legal custody.

FELICIA C. CANNON  
CLERK, U.S. DISTRICT COURT  
DISTRICT OF MARYLAND

By Lay Miller Deputy

Highest Offense Level (Opening)

Felony

Terminated Counts

None

Disposition

Highest Offense Level (Terminated)

None

Complaints

None

Disposition

Plaintiff

USA

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**ATTORNEY TO BE NOTICED**

Date Filed	#	Select all / clear	Docket Text
03/12/2013	<u>167</u>	<input type="checkbox"/>	SEALED SECOND SUPERSEDING INDICTMENT as to Joon Park (1) count(s) 1ss, 2ss, 3ss, 4ss, 5ss, Loren Young Park (2) count(s) 1ss, 2ss, 3ss, 4ss, 5ss, Jade Capital & Investments, LLC (4) count(s) 1ss, 2ss, 3ss, 4ss, 5ss, Seung E. Oh (8) count(s) 1, 4, 5, Seung Hyun Shin (9) count(s) 1, 2, 3. (apls, Deputy Clerk) (Entered: 03/13/2013)
03/12/2013	<u>169</u>	<input type="checkbox"/>	MOTION to Seal Second Superseding Indictment by USA as to Joon Park, Loren Young Park, Jade Capital & Investments, LLC, Seung E. Oh, Seung Hyun Shin. (apls, Deputy Clerk) (Entered: 03/13/2013)
03/12/2013	<u>170</u>	<input type="checkbox"/>	ORDER granting <u>169</u> Motion to Seal Second Superseding Indictment as to Joon Park (1), Loren Young Park (2), Jade Capital & Investments, LLC (4), Seung E. Oh (8), Seung Hyun Shin (9). Signed by Magistrate Judge Timothy J. Sullivan on 3/12/13. (apls, Deputy Clerk) (Entered: 03/13/2013)
03/18/2013	<u>174</u>	<input type="checkbox"/>	MOTION to Unseal Second Superseding Indictment by USA as to Joon Park, Loren Young Park, Jade Capital & Investments, LLC, Seung E. Oh, Seung Hyun Shin. (apls, Deputy Clerk) (Entered: 03/19/2013)
03/18/2013	<u>175</u>	<input type="checkbox"/>	ORDER granting <u>174</u> Motion to Unseal Second Superseding Indictment as to Joon Park (1), Loren Young Park (2), Jade Capital & Investments, LLC (4), Seung E. Oh (8), Seung Hyun Shin (9). Signed by Magistrate Judge Timothy J. Sullivan on 3/18/13. (apls, Deputy Clerk) (Entered: 03/19/2013)
03/18/2013			INDICTMENT UNSEALED as to Joon Park, Loren Young Park, Jade Capital & Investments, LLC, Seung E. Oh, Seung Hyun Shin (apls, Deputy Clerk) (Entered: 03/19/2013)
03/26/2013			PAPERLESS NOTICE OF HEARING by U.S. Attorney's Office as to Seung E. Oh. PLEASE NOTE: Defendant is not in custody. A writ has not been requested. A come up has not been requested. An interpreter will not be needed. Initial/Arraignment & Plea Hearing set for 4/5/2013 09:30 AM in Courtroom 3A, 101 West Lombard Street, Baltimore, Maryland 21201, before Judge William D Quarles Jr.. (Wise, Leo) (Entered: 03/26/2013)
04/03/2013	<u>190</u>	<input type="checkbox"/>	NOTICE OF ATTORNEY APPEARANCE: Roger E Zuckerman appearing for Seung E. Oh (apls, Deputy Clerk) (Entered: 04/04/2013)
04/03/2013	<u>191</u>	<input type="checkbox"/>	NOTICE OF ATTORNEY APPEARANCE: Susan Dudley Stout appearing for Seung E. Oh (apls, Deputy Clerk) (Entered: 04/04/2013)
04/05/2013	<u>192</u>	<input type="checkbox"/>	Initial Appearance as to Seung E. Oh (Defendant informed of

			Rights) held on 4/5/2013 before Judge William D Quarles, Jr. (CR: M. Giordano) (CRDs: bma/jw) (Entered: 04/05/2013)
04/05/2013			Arraignment as to Seung E. Oh (8) Count 1,4,5 held on 4/5/2013, Plea entered Guilty as to Counts 1 and 5 Not Guilty on count 4 before Judge William D Quarles, Jr. (CR: M. Giordano) (CRD: bma/jw) (Entered: 04/05/2013)
04/05/2013	<u>193</u>	<input type="checkbox"/>	Receipt for Surrender of Passport as to Seung E. Oh (ko, Deputy Clerk) (Entered: 04/05/2013)
04/05/2013	<u>194</u>	<input type="checkbox"/>	ORDER Setting Conditions of Release as to Seung E. Oh. Signed by Judge William D Quarles, Jr on 4/5/13. (apls, Deputy Clerk) (Entered: 04/05/2013)
04/05/2013	<u>195</u>	<input type="checkbox"/>	PLEA AGREEMENT as to Seung E. Oh (apls, Deputy Clerk) (Entered: 04/05/2013)
04/05/2013	<u>196</u>		-SEALED- PLEA SUPPLEMENT as to Seung E. Oh (apls, Deputy Clerk) (Entered: 04/05/2013)
04/05/2013	<u>197</u>	<input type="checkbox"/>	Regular Sentencing Order as to Seung E. Oh. Signed by Judge William D Quarles, Jr on 4/5/13. (apls, Deputy Clerk) (Entered: 04/05/2013)
04/05/2013			PAPERLESS NOTICE OF HEARING by U.S. Attorney's Office as to Seung E. Oh. PLEASE NOTE: Defendant is not in custody. A writ has not been requested. A come up has not been requested. An interpreter will not be needed. Sentencing set for 7/9/2013 01:00 PM in Courtroom 3A, 101 West Lombard Street, Baltimore, Maryland 21201, before Judge William D Quarles Jr. (Clarke, Martin) (Entered: 04/05/2013)
05/01/2013	<u>203</u>	<input type="checkbox"/>	AMENDED Regular Sentencing Order as to Seung E. Oh. Signed by Judge William D Quarles, Jr on 4/30/13. (apls, Deputy Clerk) (Entered: 05/01/2013)

or

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